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VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
The Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia SC 29210

**Re: Joint Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC for an Accounting Order to Defer the Impact of Interest Rate Management Accounts
Docket No. 2015-95-E**

Dear Ms. Boyd:

In Order No. 2015-222, issued April 24, 2015, the Commission approved the deferral of the “market-to-market” impact of Interest Rate Management Agreements under ASC 980 and directed Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (“DEP”) to file with the Commission, and send to the Office of Regulatory Staff, yearly reports on the status of the deferred accounts. In compliance with the terms of the Order, DEC and DEP submit the attached Annual Filing on Status of Deferred Accounts related to Interest Management Agreements report.

Please let me know if you have any questions.

Sincerely,

Heather Shirley Smith

cc: Ms. Dawn Hipp, Office of Regulatory Staff
Mr. Jeffery M. Nelson, Esq. Office of Regulatory Staff
Mr. Michael Seaman-Huynh, Office of Regulatory Staff

Duke Energy Carolinas (DEC) and Duke Energy Progress (DEP)**DOCKET NO. 2015-95-E****Annual Filing on Status of Deferred Accounts related to Interest Rate Management Agreements
For Calendar Year 2018**

| DEC | Beginning Balance | Ending Balance |
|--|-------------------|------------------|
| Deferred Account Number | As of 1/1/2018 | As of 12/31/2018 |
| 0182410 - Interest Rate Swap Reg Asset | 75,013,148 | 71,876,710 |

| DEP | Beginning Balance | Ending Balance |
|--|-------------------|------------------|
| Deferred Account Number | As of 1/1/2018 | As of 12/31/2018 |
| 0182410 - Interest Rate Swap Reg Asset | 5,556,146 | 4,886,654 |